

Stat of Utah DEPARTMENT OF NATURAL RESOURCES Division of Oil, Gas & Mining

MICHAEL R. STYLER Executive Director JOHN R. BAZA
Division Director

Small Mine Reclamation Contract Addendum #1

June 19, 2006

Lakeview Rock Products, Inc., Thomas Pit, M0110002

Russell Larsen, Vice President, Excavation Division Post Office Box 540700 North Salt Lake, Utah 84054

A small mine Notice of Intention has been submitted to the Division that allows mining operations within five (5) acres of a 48.8 acre proposed permit area. Operator is obligated to reclaim the current area five-acre area of mining operations and the disturbance that has been previously affected by the mining operation. It has been determined that the Operator will submit a Notice of Intention to Commence Large Mining Operations. Once approved, mining operations will expand beyond the current five (5) acres.

As a result of the existing disturbance that includes the five-acre mining operations area and the area previously disturbed by mining operations, the following terms and conditions are incorporated into the Reclamation Contract:

- 1. The Division has determined the Operator has commenced mining operations without a complete Notice of Intention as required by the Utah Mined Land Reclamation Act, Sections 40-8-1 et seq., Utah Code Annotated, (2005, as amended) (hereinafter referred to as "Act") and the regulations adopted pursuant to the Act.
- 2. Operator is obligated in accordance with the Act and the regulations to reclaim the land affected by operations prior to this contract, and that may be affected by the mining operations.
- 3. Operator and the Division have reached an understanding wherein the Operator has provided adequate surety in an amount determined sufficient to cover the current areas of existing disturbance (ATTACHMENT A). This surety amount may be adjusted per the Reclamation Plan that will be identified as part of the Notice of Intention to Commence Large Mining Operations.
- 4. The Division and the Operator have determined that the Operator will submit a Notice of Intention to Commence Large Mining Operations subject to the terms of the

Reclamation Contract. Until such submittal and approval, Mining Operations are allowed within the five (5) acre footprint as identified in the Notice of Intention to Commence Small Mining Operations.

Nothing herein contained shall vary, alter, or extend any provision or condition of the Reclamation Contract.

To the extent any conflict exists between this letter addendum and the Reclamation Contract, these terms shall control.

Please acknowledge with your signature, make a copy and return this letter with original signatures to the Division.

The below signed, acknowledge and accept these revisions and incorporate them into the Small Mine Reclamation Contract received by the Division on June 13, 2006.

ACCEPTED BY

John R. Baza, Director

Division of Oil, was and Mining

Scott G. Hughes, Vice President

Lakeview Rock Products, Inc.

7/3/06 Date

7-12-06

Date